

## **REMARKS**

### **I. STATUS OF CLAIMS**

Claims 1-10 and 27 are pending in this application. By this Amendment, independent claims 1 and 10 have been amended and new claim 27 has been added. Reconsideration is respectfully requested in view of the above amendments and the following remarks.

Amendments to the claims are fully supported by the specification. For example, the amendments to claim 1 are supported at least from page 7, line 5 to page 8, line 6 of the originally filed specification. Additionally, the amendments to claims 1 and 10 are primarily for clarification in view of the Examiner's objection rather than for narrowing of the scope of the claims.

### **II. REJECTION UNDER 35 U.S.C. §101**

Claims 1-10 are newly rejected under 35 U.S.C. §101. This rejection is respectfully traversed. The Office Action states that "the claims are directed to a patent ineligible process as the steps involving the computer system are directed to insignificant steps of data gathering and data outputting." This assertion is simply incorrect, as it does not appear that any of the steps are insignificant. Most glaringly, the step of *comparing said presentment check file with said payor check file implementing a processor of the computing system* is clearly not data gathering or data outputting.

Furthermore, even if the Examiner's statement that the steps involving the computer system are directed to insignificant steps were correct, this would not serve as a basis for

rejecting the claims as non-statutory. Applicant respectfully submits that the Examiner has failed to apply a valid test for compliance with 35 U.S.C. §101.

In accordance with 35 U.S.C. §101, whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent. Exceptions to the four statutory categories include abstract ideas, laws of nature and natural phenomena. See MPEP 2106.

To properly determine whether a claimed invention complies with the statutory invention requirements of 35 U.S.C. §101, USPTO personnel must first identify whether the claim falls within at least one of the four enumerated categories and secondly determine whether the Claimed Invention Falls Within 35 U.S.C. 101 Judicial Exceptions. The pending claims clearly do not fall within any of the aforementioned exceptions.

Additionally, as explained in Deputy Commissioner John Love's memorandum dated January 7, 2009, entitled "Guidance for Examining Process Claims in view of *In re Bilski*," "a method claim must meet a specialized, limited meaning to qualify as a patent-eligible process claim. As clarified in *Bilski*, the test for a method claim is whether the claimed method is (1) tied to a particular machine or apparatus or (2) transforms a particular article to a different state or thing."

In this case, since the pending claims are tied to a particular machine or apparatus in the form of a computing device, no further inquiry need be made. The Examiner appears to be either making a further inquiry based on the test for transformation of an article or is applying the Freeman-Walter Abele test, which as of 2005, is no longer used by the U.S. Patent and Trademark Office for determination of compliance with 35 U.S.C. §101. See *O.G. 11/22/2005*.

Accordingly, at least for the reasons set forth above, the claims are fully statutory under 35 U.S.C. §101. Withdrawal of the rejection is respectfully requested.

### **III. REJECTION UNDER 35 U.S.C. §112, SECOND PARAGRAPH**

Claims 1-10 are newly rejected under 35 U.S.C. §112, second paragraph. This rejection is respectfully traversed.

The Office Action alleges that the terms “check file” and “web file” in the claims are indefinite in scope. Applicant respectfully submits that the Examiner is confusing breadth with indefiniteness. However, in order to expedite the prosecution, Applicant has further defined the check file in the claims.

With respect to the web file, Applicant notes that the rejection of “web file” as indefinite was first made in the Office Action of 03/16/2004 and was withdrawn without amendment. To overcome this rejection, applicant stated that web files are well known and that page 12, line 14 and Figure 13 provides an adequate example. The Examiner withdrew the rejection in response to this argument, but seems to have come full circle. Applicant submits that the concept of a web file is currently well understood and no amendment is necessary.

The Office Action also alleges that it is unclear what algorithm is performed by the computer in the comparison step. Again, the Examiner confuses breadth with indefiniteness. Applicant respectfully requests the provision of some legal basis requiring that a specific algorithm be claimed. Additional amendments have been made merely to expedite the prosecution. The comparison step is clear and definite and fully compliant with 35 U.S.C. §112.

Applicant respectfully submits that the claims as amended are clear and definite. Accordingly, withdrawal of the rejection is respectfully requested.

#### **IV. OBVIOUSNESS REJECTION UNDER 35 U.S.C. § 103**

Claims 1-10 have been rejected under 35 U.S.C. § 103 over Positive Pay in view of U.S. Patent Publication Number 2001/0037315 to Saliba et al. (hereinafter “Saliba”). This rejection is respectfully traversed.

##### **A. Saliba Does Not Qualify as Prior Art/Official Notice**

Applicant respectfully traverses the assertion that Saliba qualifies as prior art. Saliba relies on a filing date of a parent application filed on April 21, 2000. The presently pending application has a priority date of March 17, 2000 and thus is prior art to Saliba. Accordingly, Saliba fails to qualify as prior art and Applicant respectfully requests its removal as a reference. Although the arguments below address Saliba in order to be fully responsive and prevent unnecessary delay, the deficiencies of Positive Pay as a primary reference are fully addressed and should be considered.

The Office Action dated 03/20/2009 alleges that the section relied upon in Saliba is indeed prior art, by taking Official Notice of this fact. However, applicant respectfully traverses this assertion. In the text of the Examiner’s only substantive rejection of the claims based on prior art, which appears in the Office Action dated 03/09/2006, the Examiner refers to Figs. 12A, 12B, and 10 and accompany description of Saliba. These figures are not labeled “Prior Art” and are not described as prior art in the specification of Saliba. Even if the Examiner were to apply

the background section of Saliba, the state of the art at the time of Saliba would not be considered prior to the filing date of the instant invention.

Furthermore, applicant respectfully requests clarification of the statement of the rejection. The rejection states that claims 1-10 are rejected over Positive Pay in view of Saliba. Applicant respectfully requests clarification of the newly introduced role of "Official Notice" in this rejection. Furthermore, if the Examiner is alleging that the claimed steps were well known in the art at the time of the invention, applicant respectfully traverses this assertion and requests production of a *prior art* reference showing the claimed steps as the sections of Saliba referenced by the Examiner are clearly not alluding to prior art configurations.

Courts have rejected the notion that "judicial or administrative notice may be taken of the state of the art. The facts constituting the state of the art are normally subject to the possibility of rational disagreement among reasonable men and are not amenable to the taking of such notice." *In re Eynde*, 480 F.ed 1364, 1370, 178 USPQ 470, 474(CCPA 1973).

A mere assertion that a feature is well known will not serve to create prior art where no prior art exists. It is well established that 35 U.S.C. §102 governs the determination of what qualifies as prior art. As set forth in MPEP 2144.03, Official Notice without documentary evidence to support an examiner's conclusion is permissible only in some circumstances. While "official notice" may be relied on, these circumstances should be rare. Official notice unsupported by documentary evidence should only be taken by the examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which

may be taken by the examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).

It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known. *In re Ahlert*, 424 F.2d at 1091, 165 USPQ at 420-21. *See also In re Grose*, 592 F.2d 1161, 1167-68, 201 USPQ 57, 63 (CCPA 1979). Furthermore, as applicant challenges herein the assertions of Official Notice as improper and as not properly based on common knowledge, the Examiner must support the finding with adequate evidence. If the Examiner is relying on personal knowledge to support the finding of what is known in the art, the Examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

In the presently pending claims, the applicant has requested production of prior art to show that all of the features subject to Official Notice were indeed known in the art at the time of the invention.

**B. The Combination of Positive Pay and Saliba fails disclose the claimed features**

Even if combined, Positive Pay and Saliba fail to disclose the features of independent claims 1 and 10. In summary, the Office Action fails to establish a *prima facie* case of obviousness. Specifically, before considering what would be obvious to one of ordinary skill in the art at the time of the invention, the art must teach or suggest the claim limitations. See MPEP §2143.

Positive pay fails to disclose “receiving a presentment check file, said presentment check file including presentment information related to multiple checks presented to a payor financial institution for payment” as required by claim 1. Specifically, in Positive Pay, each presented check is evaluated and compared to an issue file on a check-by-check basis. No presentment file including multiple checks is implemented. Claim 1 requires that a presentment file be received that is related to multiple checks for payment. Thus, based on this clause, at least two features of claim 1 are absent from Positive Pay. First, Positive Pay fails to disclose reception of a presentment file. Instead, in Positive Pay, the system merely receives the check or an image of the check itself. Secondly, in Positive Pay, even if the Examiner were to interpret the reference to consider the check itself as a presentment file, the presentment file would not relate to multiple checks presented as required by claims 1 and 10.

Additionally, Positive Pay fails to disclose a third feature of “comparing said presentment check file with said payor check file thereby producing an exception file containing at least one exception item” as required by claim 1. As set forth above, Positive pay compares a payor check file with each check presented on a check-by-check basis. Positive Pay does not disclose a presentment check file having information related to multiple checks, which is compared with a payor check file to produce at least one exception file containing at least one exception item.

Further, as acknowledged in the Office Action, the Positive Pay reference fails to disclose a fourth feature of claim 1, which includes sending said exception client an e-mail notifying said exception client of said at least one exception item.

With respect to claim 10, Positive Pay also fails to disclose generating a Web file, said Web file including an image relating to said exception item and sending said exception client an

e-mail notifying said exception client of said at least one exception item. Positive Pay further fails to disclose generating an address for said Web file, wherein said e-mail address includes a hyperlink to said address. (Applicant also notes that only an initial version of Positive Pay is available as prior art. As noted on page 3 of the “History of Innovation”, an Internet version of Positive Pay was not released until 2002).

Saliba fails to obviate the deficiencies of Positive Pay as set forth above. Saliba does not teach or disclose a method in a check exception item notification system for producing an exception item by a payor financial institution. Saliba also fails to disclose receiving a presentment check file by said payor financial institution, said presentment check file including presentment information relating to checks presented to said payor financial institution for payment. Saliba also fails to disclose receiving a payor check file from said exception client by said payor financial institution, said payor check file including check information relating to checks written by said exception client. Additionally, Saliba fails to disclose comparing said presentment check file, including information related to multiple checks, with said payor check file by said payor financial institution thereby producing at least one exception item. Finally, Saliba also fails to disclose sending said exception client an e-mail by said payor financial institution.

In order to establish a *prima facie* case of obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). That is, “[a]ll words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*, 424 F.2d 1382, 165 USPQ 494, 496 (CCPA 1970); *In re Edward S. Lowry*, 32 F.3d 1579, 1582 (Fed. Cir. 1994)



Thus, because the references do not include each and every feature of claims 1 and 10, a *prima facie* case of obviousness has not been established. Claims 2-9 depend from claim 1 and include further distinctive features not disclosed in the applied references. Thus, claims 2-9 define over the art of record for at least the reasons set forth above in relation to claim 1.

### **C. Lack of Motivation to Combine**

Applicant respectfully submits that the Examiner improperly assumes that the combination asserted in claims 1 and 10 would be desired. On page 4 of the Office Action mailed on 3/9/06, the Examiner states that he “believes that it would have been obvious for one skilled in the art to have looked at the secondary reference as a means for further automating the positive pay system”. However, the PTO has the burden to establish that the prior art taken as a whole suggests the desirability of the combination. Here, rather than evaluating any suggestion in the reference, the Examiner himself assumes the combination would have been obvious by asserting that automation is “well known”. However, the Examiner fails to explain why the art would suggest an email notification specifically for a check exception item. Thus, applicant submits that the Examiner’s assumption is improper.

Second, Applicant submits that the Examiner’s assertion of motivation is lacking in evidence. Instead of evidence, the Examiner improperly relies on his own hindsight conjecture that the step of emailing is well-known and obvious. For example, the motivation cited by the Examiner to combine the references is nowhere to be found in either the Positive Pay or Saliba references. Even assuming that the motivation is applicable, Positive Pay makes no suggestion that it would benefit from the teachings of Saliba. For example, Positive Pay is concerned with fraud detection, specifically the verification of checks, whereas Saliba is primarily concerned

with secure transmission of information such as bill data and financial account information. Therefore, the person of ordinary skill would not likely be motivated to combine teachings from these disparate references to arrive at applicant's invention.

As a result, the Examiner's statement that Positive Pay "can benefit" from Saliba is wholly unsupported. In short, the assertion that a primary reference purportedly "can benefit" from a secondary reference does not constitute specific motivation or suggestion for the combination. The inquiry is not whether, in post hoc fashion, one reference "might benefit" from another. Rather, the inquiry is whether the prior art provides specific motivation to select the second reference and combine it with the first. The key to supporting any rejection under 35 U.S.C. § 103 is the clear articulation of the reason(s) why the claimed invention would have been obvious. *KSR International Co. v. Teleflex Inc.*, 82 USPQ2d 1385, 1396 (2007). Therefore, applicants respectfully submit that the combination of Positive Pay and Saliba would not have been obvious to one of ordinary skill in the art at the time of the invention and that the Examiner's conclusion is clearly based on improper hindsight reasoning. Thus, the Examiner has failed to set forth a *prima facie* case of obviousness. For at least the reasons discussed above, the obviousness rejection is improper and should be withdrawn.

### **III. CONCLUSION**

Thus, for the reasons set forth above, claims 1-10 define over the art of record and an obviousness rejection cannot be sustained.

As set forth above, applicant respectfully submits that all claims are in condition for allowance. Withdrawal of all rejections and prompt passage to issuance are earnestly requested. In the event Applicants have overlooked the need for an extension of time, payment of fee, or

additional payment of fee, Applicants hereby petition therefore and authorize that any charges be made to Deposit Account No. 50-4494.

Should the Examiner have any questions regarding any of the above, the Examiner is respectfully requested to telephone the undersigned at 202-346-4016.

Respectfully submitted,

Dated: June 9, 2009

By: Electronic Signature: /Kerry H. Owens/  
Kerry H. Owens  
Reg. No. 37,412  
GoodwinProcter LLP  
901 New York Avenue, NW  
Washington DC 20001  
(202) 346-4000

Attorney for Applicant